



# Highlights of the Mental Health Parity Law

According to the Connecticut General Statutes, Section 38a-514\*, Mental Health Parity means a health plan that offers coverage for medical and surgical conditions must offer coverage for the diagnosis and treatment of mental or nervous conditions. Coverage for mental health services cannot be at a greater expense than the medical and surgical coverage [*Sec. 38a-514(b)*].

## State of Connecticut Mental Health Parity Law

**The State of Connecticut Mental Health Parity applies only to those covered by a fully insured, state-licensed health plan. Mental Health Parity under state regulation states that:**

- Each group health insurance policy, providing medical and surgical coverage on or after January 1, 2000 must also provide benefits for the diagnosis and treatment of mental or nervous conditions [*Sec. 38a-514(a)*].
- Mental or nervous conditions do not include (1) mental retardation, (2) learning disorders, (3) motor skills disorders, (4) communication disorders, (5) caffeine-related disorders, (6) relational problems, and (7) additional conditions that are not otherwise defined as mental disorders [*Sec. 38a-514(a)*].
- In the case of benefits payable for the services of a licensed physician, such benefits will be payable for the same services when provided by a psychologist, social worker, marital & family therapist, alcohol & drug counselor or a professional counselor [*Sec. 38a-514 (d)*].
- In the case of an emergency, patients may seek care at any hospital, even if it is not in their HMO network. An emergency is viewed as a situation in which an individual may cause life-threatening harm to him or herself or others [*Sec. 38a-514(h)*].
- In the case of an admission to a residential treatment facility, benefits will be payable in certain situations in which criteria has been met.

\* This summary provides an overview of the General Statutes of Connecticut, Section 38a-514 and should be used only as an educational tool.

If you have any questions or need assistance with an appeal, contact the **Office of Managed Care Ombudsman** toll-free at **1 (866)-HMO-4446** or at [managedcare.ombudsman@po.state.ct.us](mailto:managedcare.ombudsman@po.state.ct.us)



# Federal Mental Health Parity Act

The Federal Mental Health Parity Act (MHPA) was signed into law in 1996. MHPA provides for parity in the application of aggregate lifetime and annual dollar limits on mental health benefits with dollar limits on medical/surgical benefits.

## Under the Federal Mental Health Parity Act

- A group health plan that does not impose an annual or lifetime dollar limit on medical or surgical may not impose such a dollar limit on mental health benefits offered under that health plan.
- The provisions do not apply to benefits for substance abuse or chemical dependency.
- A group health plan is not required to include mental health benefits in their benefits package. The requirements under MHPA apply only to health plans that offer mental health benefits.
- The exceptions to these rules are: (1) small employers who have fewer than 51 employees, and (2) any group health plan whose costs increase 1% or more due to the application of MHPA's requirements (based on 6 months of actual claims data not on premiums).

## What Does This Mean for Connecticut Citizens?

- Only Federal MHPA applies to Connecticut citizens who receive health benefits through a self-funded plan under ERISA. ERISA takes precedence over state law.
- More than 40% of insured Connecticut citizens are covered under self-funded health plans. These self-funded health plans are not required to comply with State of Connecticut's more generous laws.
- President Bush signed legislation that extends the original deadline offering the Federal MHPA's provisions to December 31, 2002.